

Honolulu, Hawaii

MAY 01 2015

RE: S.B. No. 92
S.D. 2
H.D. 1
C.D. 1

Honorable Donna Mercado Kim
President of the Senate
Twenty-Eighth State Legislature
Regular Session of 2015
State of Hawaii

Honorable Joseph M. Souki
Speaker, House of Representatives
Twenty-Eighth State Legislature
Regular Session of 2015
State of Hawaii

Madam and Sir:

Your Committee on Conference on the disagreeing vote of the Senate to the amendments proposed by the House of Representatives in S.B. No. 92, S.D. 2, H.D. 1, entitled:

"A BILL FOR AN ACT RELATING TO TAXATION,"

having met, and after full and free discussion, has agreed to recommend and does recommend to the respective Houses the final passage of this bill in an amended form.

The purpose and intent of this measure is to update the Department of Taxation's requirement to publish reports.

Specifically, this measure:

- (1) Specifies that the Department report on the Hawaii income patterns of businesses, rather than corporations, proprietorships, and partnerships;
- (2) Requires the Department to report on specific general excise tax exemptions;



- (3) Provides specific timelines for the Department to publish reports;
- (4) Requires the Department, by December 31, 2015, to report to the Legislature on the status of upgrading its forms and reporting capabilities per the implementation of the Department of Taxation's tax system modernization; and
- (5) Repeals obsolete annual reporting requirements.

Your Committee on Conference finds that pursuant to section 231-3.4, Hawaii Revised Statutes, the Department of Taxation publishes reports on tax credits and Hawaii income patterns. Your Committee on Conference believes that a reporting requirement regarding general excise tax exemptions would provide useful information to determine the effectiveness of such exemptions. Your Committee on Conference further finds that a progress report on the Department's upgrades to its forms and reporting capabilities would be valuable because the Department is in the process of modernizing its systems.

Your Committee on Conference has amended this measure by changing the effective date from July 1, 2030, to July 1, 2015.

As affirmed by the record of votes of the managers of your Committee on Conference that is attached to this report, your Committee on Conference is in accord with the intent and purpose of S.B. No. 92, S.D. 2, H.D. 1, as amended herein, and recommends that it pass Final Reading in the form attached hereto as S.B. No. 92, S.D. 2, H.D. 1, C.D. 1.

Respectfully submitted on behalf
of the managers:

ON THE PART OF THE HOUSE

ON THE PART OF THE SENATE



JO JORDAN, Chair



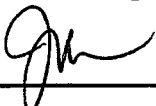

JILL N. TOKUDA, Chair



Hawaii State Legislature

CLR 80

Record of Votes of a
Conference Committee

Bill / Concurrent Resolution No.: SB 92, SD 2, HD 1					Date/Time: April 27, 2015 1:45pm				
<input checked="" type="checkbox"/> The recommendation of the House and Senate managers is to pass with amendments (CD).									
<input type="checkbox"/> The Committee is reconsidering its previous decision.									
<input type="checkbox"/> The recommendation of the Senate Manager(s) is to AGREE to the House amendments made to the Senate Measure					<input type="checkbox"/> The recommendation of the House Manager(s) is to AGREE to the Senate amendments made to the House Measure.				
Senate Managers	A	WR	N	E	House Managers	A	WR	N	E
TOKUDA, Jill N., Chr.	✓				JORDAN, Jo, Chr.	✓			
DELA CRUZ, Donovan M.	✓				JOHANSON, Aaron Ling	✓			
SLOM, Sam	✓				POUHA, Feki	✓			
TOTAL	3				TOTAL	3			
A = Aye		WR = Aye with Reservations			N = Nay		E = Excused		
Senate Recommendation is:					House Recommendation is:				
<input checked="" type="checkbox"/> Adopted <input type="checkbox"/> Not Adopted					<input checked="" type="checkbox"/> Adopted <input type="checkbox"/> Not Adopted				
Senate Lead Chair's or Designee's Signature:					House Lead Chair's or Designee's Signature:				
									
Distribution:									
Original		Yellow		Pink		Goldenrod			
File with Conference Committee Report		House Clerk's Office		Senate Clerk's Office		Drafting Agency			